

**KITSAP COUNTY FIRE PROTECTION DISTRICT NO. 10**  
**DBA NORTH KITSAP FIRE AND RESCUE**  
**Kitsap County, Washington**  
**January 1, 1991 Through December 31, 1993**

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**Schedule Of Findings**

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1. The District Should Improve Internal Controls Over Billing And Receipting

We noted the following weaknesses in the district's billing and receipting systems:

- a. There was no numerical control over billings to establish accountability.
- b. The district maintained two accounts receivable systems. The two systems were not reconciled, nor was a control account maintained. At the end of 1993, the ledger cards showed an accounts receivable balance of \$39,592 and the computer system showed \$50,006.
- c. There was no segregation of billing and receipting duties. The billing clerk performed all duties, including write-offs of accounts.
- d. There was no supervisory approval process over the write-off of accounts.

The district's system may allow errors or irregularities to occur and not be detected by management in a timely manner.

We recommend the district improve internal controls over billing and receipting including:

- a. Establish accountability over billings.
- b. Maintain and reconcile a control account.
- c. Segregate duties, and
- d. Approve write-offs.